Regional Transportation Authority

Key Indicator Report

For The Month Of February, 1994

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Table of Contents

Highlights:

Actual sales tax revenues for January increased 0.8% from the December level. *this page*

The economy is still improving without much growing pain. *this page*

All three Service Boards showed large ridership jumps in February. *this page and pages 5-6*

The combined operating deficits of the Service Boards were unfavorable to budget. *this page and pages 7-12*

The regional recovery ratio was 48.2% and 2.2 points lower than budget. *this page and pages 3-4*

Overview

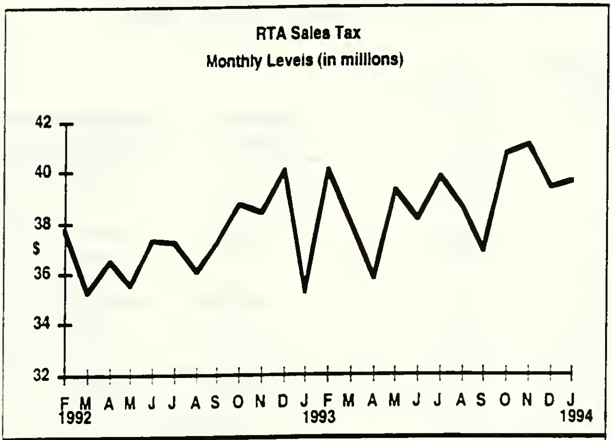
Actual sales tax results for January were up 0.8% from December's level. After the 4.1% decline in December, the sales tax level flattened out. For January, sales tax was $0.4 million lower than budget, but $3.6 million higher than in the year-ago period.

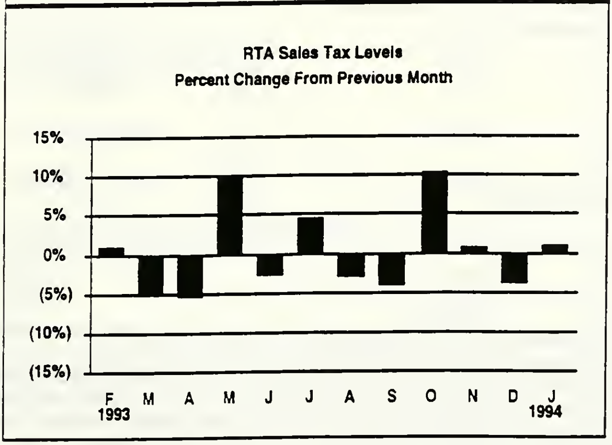
The Commerce Department's Index of Leading Indicators fell a slight 0.1% in February following a revised 0.3% increase in January. This is the first decline in seven months, but it was shrugged off by most economists. The index is a key government indicator of future economic vigor. Consumer prices increased 0.3% in March. The rate was low enough to dispel the worst inflation fears, but too high to dismiss such worries all together. Health-care costs continue to moderate, rising only 0.2%. Producer prices, which are a measure of wholesale prices, rose only 0.2% in March. Gasoline prices fell 1.8% in March after climbing more than 6% in each of the previous two months. Industrial output rose 0.5% in March. The increase was broad-based, the 10th in a row, and comes on top of an upward-revised 0.6% rise in February. The growth was accompanied by only a slight rise in capacity utilization which is a leading indicator of inflation. Production ran at 83.6% of capacity in March which is up from 83.4% in February.

For the month of February, all three Service Boards showed large ridership jumps. However, regional ridership in February was flat from January using the RTA's three-month moving average. This average smooths reported data to make trends more apparent. The CTA's system ridership in February was 14.8% higher than January's level. This increase more than offset the 12.2% decline in January. Service disruptions from the closing of the Green Line may have caused possible distortions to January's ridership figures. Metra's ridership increased over 3.0% in February for the second consecutive month. Winter weather and the shutdown of the CTA's Green Line appeared to benefit Metra's ridership. Pace ridership increased 6.4% in February. Pace's ridership rebounded in February following harsh weather and school closings in January.

On a year-to-date, combined basis, Service Board revenues were $2.2 million unfavorable to budget through February. This unfavorable variance was primarily attributable to the CTA, where expenses were also unfavorable to budget. Metra was favorable to budget for revenues, but slightly unfavorable for expenses. Pace revenues and expenses were both slightly unfavorable to budget. As a result, all three Service Boards reported operating deficits which were $6.0 million unfavorable to budget.

The region's recovery ratio through February was 48.2% and 2.2 points unfavorable to budget. The recovery ratio was 1.8 points unfavorable compared to last year.





The RTA actual sales tax level for the month of January was up 0.8% from December's level. After the decline of 4.1% in December, the sales tax level flattened out.

For the first month of 1994, sales tax was $0.4 million lower than budget, but $3.6 million higher than 1993.

Note: The sales tax levels are the result of actual monthly sales tax amounts after adjustment for seasonal patterns.

Monthly Results
Regional Transportation Authority
February 1994
(Dollars in Millions)

	February 1994	Favorable/(Unfavorable)To: Budget	1993
Revenue	$47.4	$1.5	$2.6
Operations Funding	48.0	0.6	1.4
Capital/Debt Funding	0.0	4.0	3.4
Change to Fund Balance	($0.6)	$6.1	$7.4
Regional Recovery Ratio	50.6%	1.1 pts.	1.2 pts.
MEMO: Funding of Service Board Operations			
Service Board Baseline Operations:			
Revenues	$47.7	$1.4	$2.8
Expenses	94.6	(0.7)	(3.1)
Deficits	$46.9	$0.7	($0.3)
Positive Budget Variance	0.7	(0.7)	1.9
Less: Funded by Loan	0.0	0.0	0.0
Less: Contributed by Service Boards	0.0	0.0	(0.3)
RTA Funding of Service Board Operations	$47.6	$0.0	$1.3

RTA revenues in February include a sales tax forecast for the month and were $1.5 million favorable to budget and $2.6 million favorable when compared to last year. The favorable budget variance was due to higher Public Transportation Funds (PTF) which were partially offset by lower sales tax, interest income and grants. Operations funding for February was $0.6 million favorable to budget due to lower Agency expenses and $1.4 million favorable compared to last year primarily because of lower Service Board funding. Capital and debt service funding for February was $4.0 million favorable to budget primarily due to a timing difference in debt service payments which reversed this month. Service Board revenues and expenses in February were $1.4 million favorable and $0.7 million unfavorable to budget, respectively. As a result, the combined Service Board deficit was favorable by $0.7 million.

RTA revenues through February were $1.0 million favorable to budget primarily due to a $2.1 million favorable variance in PTF. This was partially offset by an unfavorable variance to budget of $1.1 million in sales tax, interest income and grants. Revenues were $5.6 million favorable compared to last year. A favorable variance totaling $6.9 million in sales tax and PTF was offset by an unfavorable variance of $1.3 million in RTA interest income and grants. RTA interest income and grants were unfavorable to both budget and compared to last year due to lower cash balances and investment rates.

Operations funding was $0.7 million favorable to budget through February because of below budget spending at the RTA. Compared to 1993, operations funding was $4.5 million favorable. The temporary closure of the Green Line and other CTA actions have lowered RTA funding of Service Board operations compared to the previous year.

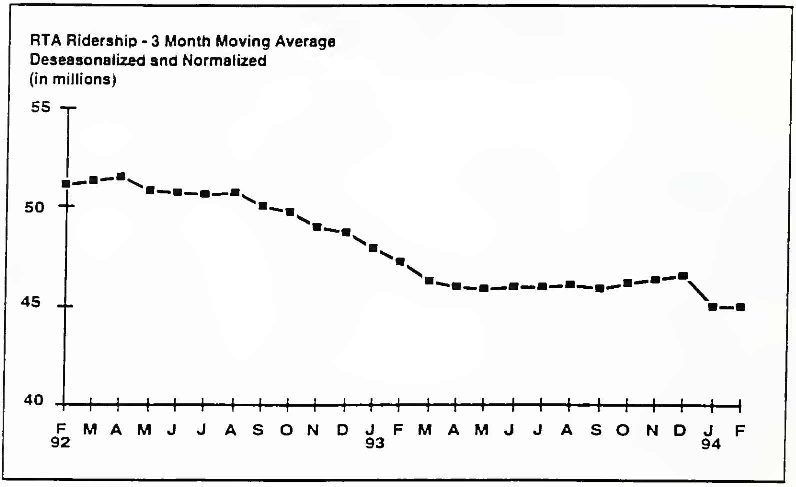
Full Year Results
Regional Transportation Authority
Two Months Ending February 28, 1994
(Dollars in Millions)

	YTD 1994	Favorable/(Unfavorable)To: Budget	1993
Sales Tax	$70.2	($0.6)	$3.7
Less: Sales Tax For Capital	0.0	0.0	0.0
Public Transportation Fund	22.4	2.1	3.2
FTA Operating	0.0	0.0	0.0
RTA Interest & Other Grants	0.4	(0.5)	(1.3)
Total Revenue	$93.0	$1.0	$5.6
RTA Funding of Service Board Operations	$95.4	$0.0	$4.2
RTA Agency Expenses	1.3	0.7	0.3
New Initiatives	0.0	0.0	0.0
Total Operations Funding	$96.7	$0.7	$4.5
Available After Funding Operations	($3.7)	$1.7	$10.1
RTA Capital & Debt Service	$6.0	($0.2)	($1.1)
RTA Funding of Service Board Capital	2.3	0.0	(0.5)
Total Capital/Debt	$8.3	($0.2)	($1.6)
Change to Fund Balance	($12.0)	$1.5	$8.5
Regional Recovery Ratio	48.2%	(2.2) pts.	(1.8) pts.
MEMO: Funding of Service Board Operations			
Service Board Baseline Operations:			
Revenues	$94.1	($2.2)	$1.3
Expenses	195.6	(3.8)	(7.2)
Deficits	$101.5	($6.0)	($5.9)
Positive Budget Variance	(6.0)	6.0	10.7
Less: Funded by Loan	0.0	0.0	0.0
Less: Service Board Contributions	(0.1)	0.0	(0.6)
RTA Funding For Service Board Operations	$95.4	$0.0	$4.2

Capital and debt service was $0.2 million unfavorable to budget. RTA capital was $0.2 million unfavorable due to slightly lower than budgeted spending. This category is also $1.6 million unfavorable compared to last year due to unfavorable variances of $0.5 million in the Service Board capital program and $1.1 million for higher debt service.

The Service Board baseline deficit through February was $6.0 million unfavorable to budget. Baseline revenues and expenses were $2.2 million unfavorable and $3.8 million unfavorable to budget, respectively, primarily due to the CTA. Compared to last year, the baseline deficit was $5.9 million unfavorable because revenues and expenses were $1.3 million favorable and $7.2 million unfavorable, respectively.

The region's recovery ratio through February was 48.2%. This ratio was 2.2 points unfavorable to budget and 1.8 points unfavorable compared to the recovery ratio for the same time period last year.



RIDERSHIP LEVELS

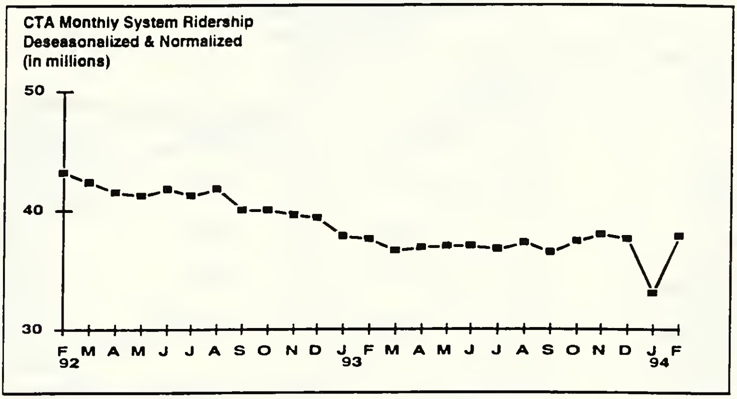
All three Service Boards showed large ridership jumps in February.

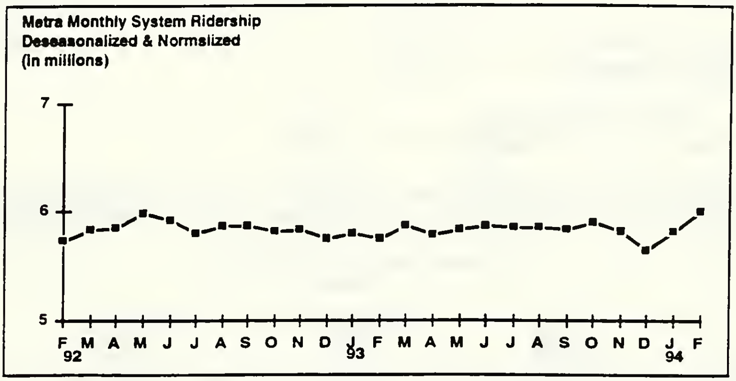
The CTA ended February with an increase of 14.8% from January's level. This increase offset the 12.2% decline in January. The CTA has acknowledged that its ridership figures may be distorted early this year because of service disruptions linked to the closing of the Green Line.

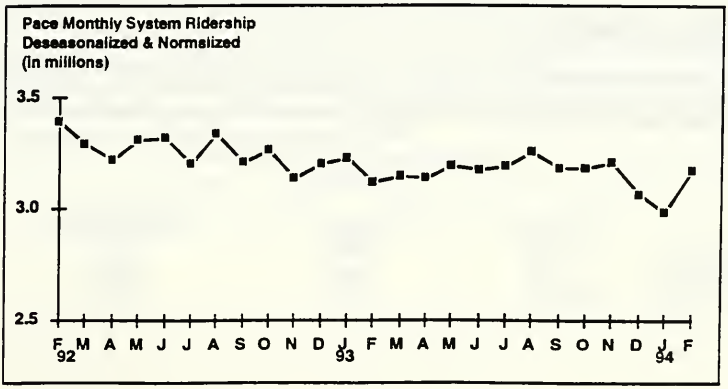
Metra's ridership for February was up over 3.0% for the second consecutive month. The weather seemed to benefit Metra as more commuters chose to take public transportation rather than drive. Metra's ridership was also favorably impacted by the shutdown of the CTA's Green Line.

Pace's February ridership was up by 6.4% from January. Pace's ridership recovered in February as the weather played a large role in school closings during January.

Note: Ridership levels are the result of actual monthly ridership being adjusted for seasonal patterns and for the number of weekdays, weekend days, and holidays occurring in each period.


CTA Monthly System Ridership
Deseasonalized & Normalized
(in millions)
50
40
30
F M A M J J A S O N D J F M A M J J A S O N D J F
92
93
94


Metra Monthly System Ridership
Deseasonalized & Normslized
(in millions)
7
6
5
F M A M J J A S O N D J F M A M J J A S O N D J F
92
93
94


Pace Monthly System Ridership
Deseasonalized & Normalized
(in millions)
3.5
3.0
2.5
F M A M J J A S O N D J F M A M J J A S O N D J F
92
93
94

Monthly Results
Chicago Transit Authority
February 1994
(Dollars in Millions)

	February 1994	Favorable/(Unfavorable)To: Budget	1993
Revenue	$29.8	($0.2)	$1.1
Expenses	59.9	(0.5)	(0.2)
Operating Deficit	$30.1	($0.7)	$0.9
Recovery Ratio	49.9%	(0.7) pts	1.7 pts

	February 1994	Higher/(Lower) Than: Budget	1993
Passengers (in thousands)	35,320	(810)	500
Vehicle Miles (in thousands)	9,910	50	(450)

The CTA's operating deficit was unfavorable to budget for the second straight month. The magnitude of the unfavorable deficit was lower in February than in January. (see table below).

Deficit Variance Versus Budget
(in millions)

	January	February	Year-to-Date
Revenues	($3.5)	($0.2)	($3.7)
Expenses	(2.8)	(0.5)	(3.3)
Deficit	($6.3)	($0.7)	($7.0)

The unfavorable year-to-date deficit variance of $7.0 million was due to unfavorable variances in both revenues and expenses.

Revenues were quite unfavorable in January due to school closings and the loss of discretionary trips. In February, revenues were not quite as unfavorable versus budget. Even though farebox revenues have been below budget, the average fare exceeded budget. (see table below).

Farebox Revenue Variance Versus Budget
(in millions)

	January	February	Year-to-Date
Fare Variance	$0.2	$0.5	$0.7
Ridership Variance	(3.8)	(0.6)	(4.4)
Farebox Variance	($3.6)	($0.1)	($3.7)

Year-To-Date Results
Chicago Transit Authority
Two Months Ending February 28, 1994
(Dollars in Millions)

	YTD 1994	Favorable/(Unfavorable)To: Budget	1993
Farebox Revenue	$53.9	($3.7)	($1.4)
Reduced-Fare Reimbursement	3.6	0.0	0.5
Other Revenue	1.9	0.0	0.1
Total Revenue	$59.4	($3.7)	($0.8)
Service Delivery	$98.7	($2.8)	$0.8
Fuel/Power	6.2	0.2	0.0
Special Services	3.3	0.9	(0.3)
Administration	12.5	0.9	(1.3)
Provision for Injury and Damages	5.4	0.0	(1.0)
Non-Departmental	(1.2)	(2.5)	(0.7)
Total Expenses	$124.9	($3.3)	($2.5)
Operating Deficit	$65.5	($7.0)	($3.3)
Recovery Ratio	47.7%	(3.5) pts	(1.7) pts

	YTD 1994	Higher/(Lower) Than: Budget	1993
Passengers (in thousands)	67,090	(5,560)	(3,460)
Vehicle Miles (in thousands)	21,020	110	(700)
Passenger Per Mile	3.2	(0.3)	(0.4)

Like revenues, expenses were unfavorable to budget for the first two months of 1994. The snow and cold weather experienced in January and February was a major factor in higher expenses. The delay in closing the Green Line in January also increased expenses.

Service Delivery expenses have been unfavorable to budget for the first two months of 1994. Hours worked has been over budget, especially in January, due to additional labor required in dealing with the poor weather.

The year-to-date recovery ratio was 47.7% or 3.5 points below budget. However, the monthly recovery ratio was 49.9% or just 0.7 points below budget.

Monthly Results
Metra
February 1994
(Dollars in Millions)

	February 1994	Favorable/(Unfavorable) To: Budget	1993
Revenue	$15.0	$1.4	$1.6
Expenses	27.1	(0.6)	(2.2)
Operating Deficit	$12.1	$0.8	($0.6)
Recovery Ratio	55.7%	4.1 pts	1.6 pts

	February 1994	Higher/(Lower) Than: Budget	1993
Passengers (in thousands)	5,750	(10)	190
Revenue Miles (in thousands)	1,900	0	(30)

Metra's operating deficit for the month of February 1994 was $0.8 million favorable to budget, but was $0.6 million higher when compared to 1993. Revenues were $1.4 million favorable when compared to the budget and were $1.6 million favorable to February 1993. Expenses for the month of February were $0.6 million unfavorable to budget and were $2.2 million higher than in February 1993.

Revenues through February were $1.6 million favorable to budget and were $2.1 million higher than 1993. A shift in the type of tickets purchased by commuters, which raised the average fare, increased farebox revenues by $1.1 million when compared to the budget. Metra carried 0.2 million fewer passengers than budget in the first two months of 1994, which reduced the favorable farebox revenue performance to budget by $0.4 million. The favorable performance in other revenue when compared to budget was primarily due to increased lease revenue.

When compared to 1993 year-to-date, passenger revenues were $0.8 million higher primarily the result of increased ridership. Other revenues were $1.3 million higher due to increased lease revenue and grant project credits.

Expenses through February were $0.5 million unfavorable to budget and were $3.1 million higher when compared to 1993. The major reason for the unfavorable performance to both the budget and 1993 was increased maintenance expense due to the severe cold and snow conditions during the first two months of 1994.

Year-To-Date Results
Metra
Two Months Ending February 28, 1994
(Dollars in Millions)

	YTD 1994	Favorable/(Unfavorable) To: Budget	1993
Farebox Revenue	$24.5	$0.7	$0.8
Other Revenue	4.9	0.9	1.3
Total Revenue	$29.4	$1.6	$2.1
Operations	$19.6	($0.2)	($0.3)
Maintenance	22.3	(1.5)	(2.5)
Administration	5.1	0.4	0.1
Fuel/Power	2.7	0.5	0.3
Claims	2.0	0.0	(0.4)
All Other	3.0	0.3	(0.3)
Total Expenses	$54.7	($0.5)	($3.1)
Operating Deficit	$25.3	$1.1	($1.0)
Recovery Ratio	54.0%	2.0 pts	0.7 pts

	YTD 1994	Higher/(Lower) Than: Budget	1993
Passengers (in thousands)	11,600	(230)	300
Revenue Miles (in thousands)	3,860	10	60
Passengers Per Mile	3.0	(0.1)	0.0

Operations expenses were $0.2 million unfavorable to budget and were $0.3 million greater when compared to 1993 year-to-date. Fuel costs through February were $0.3 million favorable when compared to budget and were $0.2 million lower when compared to 1993. Power costs were $0.2 million favorable when compared to the budget and were $0.1 million lower than 1993 year-to-date.

In other cost areas, maintenance expenses were $1.5 million unfavorable to budget and increased $2.5 million versus 1993 on a year-to-date basis. Administration, claims, and all other expenses were $0.7 million favorable to budget and were $0.6 million higher than 1993.

The recovery ratio for February was 55.7%. This was 4.1 points favorable to budget and was 1.6 points favorable to 1993. On a year-to-date basis, the recovery ratio was 54.0% which was 2.0 points favorable to budget and was 0.7 points higher when compared to 1993.

Monthly Results
Pace Suburban Bus
February 1994
(Dollars in Millions)

	February 1994	Favorable/(Unfavorable)To: Budget	1993
Revenue	$2.9	$0.2	$0.1
Expenses	7.5	0.4	(0.7)
Operating Deficit	$4.6	$0.6	($0.6)
Recovery Ratio	38.5%	4.2 pts	(3.0) pts.

	February 1994	Higher/(Lower) Than: Budget	1993
Passengers (in thousands)	3,000	(30)	20
Vehicle Miles (in thousands)	2,380	(200)	(100)

Pace's recovery ratio for the month of February was 38.5% or 4.2 points favorable to budget and 3.0 points unfavorable compared to 1993. February's performance was 9.3 points higher than January and marked the first monthly reporting period since third quarter 1993 in which the recovery ratio exceeded 35.0%. February year-to-date, however, the recovery ratio is 0.8 points unfavorable to budget and 3.2 points lower compared to the prior year period 1993.

Total revenues through February of $5.3 million were slightly unfavorable to budget by $0.1 million and exceeded 1993 levels by the same amount. The two major factors contributing to the unfavorable revenue performance are lower than planned ridership and lower average fare. Year-to-date, ridership is 2.7% and 2.0% down from budget and prior year, respectively. The lower average fare is attributed to the delayed fare increase implementation, effective January 23rd. The budget assumed a fare increase effective January 1st. However, it should be noted that both average fare and ridership showed improvement during the month of February.

Total expenses through February were $15.9 million or $0.1 million unfavorable to budget. Insurance and claims costs exceeded the budget as a result of a large liability insurance claim settlement in January. In addition, operations costs were unfavorable to budget primarily due to both higher than planned labor costs and material and supply usage at the carriers. Offsetting the unfavorable variance to budget, fuel and administration costs were well below budget through February, 1994.

Year-To-Date Results
Pace Suburban Bus
Two Months Ending February 28, 1994
(Dollars in Millions)

	YTD 1994	Favorable/(Unfavorable)To: Budget	1993
Farebox Revenue*	$4.6	($0.2)	$0.0
Reduced-Fare Reimbursement	0.3	0.0	0.0
Other Revenue	0.4	0.1	0.1
Total Revenue	$5.3	($0.1)	$0.1
Operations	$9.2	($0.1)	($0.5)
Maintenance	2.5	0.0	(0.3)
Non-Vehicle Maintenance	0.3	0.0	(0.1)
Fuel	0.4	0.1	0.0
Insurance and Claims	0.9	(0.3)	(0.4)
Administration	2.6	0.2	(0.3)
Total Expenses	$15.9	($0.1)	($1.6)
Operating Deficit	$10.6	($0.2)	($1.5)
Recovery Ratio	33.6%	(0.8) pts.	(3.2) pts.

	YTD 1994	Higher/(Lower) Than: Budget	1993
Passengers (in thousands)	5,890	(170)	(130)
Vehicle Miles (in thousands)	5,150	(10)	170
Passengers Per Mile	1.1	(0.1)	(0.1)

*Includes local share

Compared to 1993, total expenses were $1.6 million unfavorable or 10.9% higher than the prior year period. Operations expense is $0.5 million or 5.8% higher largely due to expansion of the vanpool program and new Southwest Rapid Transit service. Maintenance and non-vehicle maintenance costs combined were $0.4 million or 16.1% higher due to an increase in materials/supply usage and vehicle repair expense during the first two months of 1994.

Insurance and claims cost were $0.4 million higher as a result of the significantly large liability claim expense reported in January 1994. The higher administration expense incurred in 1994 is due to increased expenditures for professional services and lease and rental costs for the Fox Valley facility.